

1 CALIFORNIA GAMBLING CONTROL COMMISSION
2 MODIFIED TEXT OF PROPOSED REGULATIONS – THIRD 15-DAY CHANGES
3 COMMISSION FEES MODERNIZATION PROJECT II
4 CGCC-GCA-2021-07-R/C
5

6 California Code of Regulations
7 Title 4. Business Regulations.
8 Division 18. California Gambling Control Commission.
9 CHAPTER 1. GENERAL PROVISIONS

10 ARTICLE 1. DEFINITIONS AND GENERAL PROCEDURES

11
12 § 12002. General Definitions.

13 Unless otherwise specified, the definitions in Business and Professions Code section 19805,
14 supplemented by the definitions found in Chapter 10 of Title 9 of Part 1 of the Penal Code (commencing
15 with section 330), govern the construction of this division. As used in this division:

16 ...

17 *(ab) "Gross revenue" means the total of all compensation received for participating in or conducting*
18 *any controlled game, and includes interest received in payment for credit extended by a cardroom*
19 *business licensee to a patron for purposes of gambling.*

20 *(ac)*~~*(ab)*~~ ...

21 *(ad)*~~*(ae)*~~ ...

22 *(ae)*~~*(ad)*~~ ...

23 *(af)*~~*(ae)*~~ ...

24 *(ag)*~~*(af)*~~ ...

25 *(ah)*~~*(ag)*~~ ...

26 *(ai)*~~*(ah)*~~ ...

27 *(aj)*~~*(ai)*~~ ...

28 *(ak)*~~*(aj)*~~ ...

29 *(al)*~~*(ak)*~~ ...

30 *(am)*~~*(al)*~~ ...

31 *(an)*~~*(am)*~~ ...

32 *(ao)*~~*(an)*~~ ...

33 *(ap)*~~*(ao)*~~ ...

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Revision Date: October 4, 2022

- 1 (aq)~~(ap)~~ ...
- 2 (ar)~~(aq)~~ ...
- 3 (as)~~(ar)~~ ...
- 4 (at)~~(as)~~ ...
- 5 (au)~~(at)~~ ...
- 6 (av)~~(au)~~ ...
- 7 (aw)~~(av)~~ ...
- 8 (ax)~~(aw)~~ ...
- 9 (ay)~~(ax)~~ ...
- 10 (az)~~(ay)~~ ...

11 Note: Authority cited: Sections 19811, 19823, 19824, 19840, 19841, 19853 and 19854, Business and Professions
 12 Code. Reference: Sections 19800, 19805, 19811, 19816, 19853 and 19984, Business and Professions Code.

13
 14 **CHAPTER 3. CONDITIONS OF OPERATION FOR TPPPS BUSINESSES**

15 **ARTICLE 1. GENERAL PROVISIONS**

16
 17 **§ 12252. TPPPS Annual Fee.**

18 (a) ~~No later than September 1 of each year, The Bureau will provide each TPPPS business licensee an~~
 19 invoice, pursuant to Section 12006, by October 1, 2022, and each October 1 thereafter, of their annual
 20 fee, as provided in Section 12252.2. Beginning January 1, 2023 and each January 1 thereafter, each
 21 TPPPS business licensee must submit to the Bureau the annual fee Annual Fee set forth as determined by
 22 Section 12252.1, subsection (a) of this section, based on the total number of TPPPS endorsee licensees
 23 and TPPPS employee type licensees affiliated with the TPPPS business licensee on the immediately
 24 preceding August 1.

25 (b) ~~Each TPPPS business licensee must pay the annual sum of two thousand eight hundred dollars~~
 26 ~~(\$2800) for each TPPPS endorsee licensee and each TPPPS employee type licensee.~~

27 (e) ~~The annual fee Annual Fee annual fee~~ may be paid in installments. The TPPPS business licensee
 28 must submit a written request to the Bureau to make installment payments within 30 calendar days from
 29 the date the invoice was served mailed prior to August 1 of that same year.

30 (c) A request for installment payments will be considered approved, unless within 14 calendar days of
 31 the request being received, the Bureau provides notification, pursuant to Section 12006, that the request
 32 has been disapproved. The Bureau will disapprove the request if the TPPPS business licensee has a
 33 history of failing to make installment payments as required or has not submitted the request pursuant to
 34 subsection (b). Upon Subject to approval by the Bureau, in accordance with the Bureau's approval

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1 ~~notification, installment~~ Installment payments must be made in the year following the request pursuant to
2 subsection (b) as follows: one-third of the ~~annual fee~~ Annual Fee annual fee to be submitted no later than
3 ~~September~~ January 1, one-third no later than ~~December~~ April 1, and the balance no later than ~~March~~
4 ~~June 30. If installment payments were not requested or a request for installment payments was~~
5 ~~disapproved, the entire amount of the annual fee must be submitted no later than January 1.~~

6 ~~(d) Refunds will not be available in the event of a subsequent decrease in the number of TPPPS~~
7 ~~endorsee licensees or TPPPS employee type licensees upon which the annual fee payment was based.~~

8 ~~(e)(1) Following assessment of the annual fee, if the TPPPS business licensee increases the number of~~
9 ~~its TPPPS endorsee licensees and TPPPS employee type licensees above the number upon which the~~
10 ~~annual fee assessment was based, the TPPPS business licensee must submit to the Bureau the additional~~
11 ~~per player annual fee set forth in subsection (b) within 30 calendar days of employment or transfer of~~
12 ~~ownership.~~

13 ~~(2) Upon the first issuance of a TPPPS business license, be it either a temporary TPPPS business~~
14 ~~license or an initial TPPPS business license, the TPPPS business licensee must submit to the Bureau the~~
15 ~~annual fee appropriate for its TPPPS endorsee licensees and any TPPPS employee type licensees.~~

16 (d) The TPPPS license certificate will not be issued until the Bureau has received the ~~annual fees~~
17 ~~Annual Fee~~ annual fee or ~~has is~~ approved the TPPPS business licensee for installment payments.

18 ~~(3) Annual fees due under this subsection will be prorated on a monthly basis.~~

19 ~~(4) Annual fees due under this subsection may be paid in installments, on the conditions that the~~
20 ~~installment payment request is submitted in writing, that one third of the fees are paid upon submission of~~
21 ~~the installment request, and that two subsequent equal payments are paid at reasonable intervals prior to~~
22 ~~expiration of the applicable term, subject to the approval of the Bureau.~~

23 ~~(f)(e)~~ (e) Any ~~renewal~~ application ~~for a renewal for the~~ TPPPS business licensee will not be approved by
24 the Commission until any delinquent ~~annual fee~~ Annual Fee annual fees ~~have has~~ have been paid in full.

25 ~~(g)(f)~~ (f) No application for a TPPPS contract may be approved by the Bureau until any delinquent
26 ~~annual fees~~ Annual Fee annual fees ~~have has~~ have been paid in full.

27 (g)(1) Upon the first issuance of a TPPPS business license, as either a temporary TPPPS business
28 license or an initial TPPPS business license, whichever occurs first, the Bureau will issue an invoice,
29 pursuant to Section 12006, in the annual fee amount required of an active licensee with a gross ~~gaming~~
30 revenue under \$1,500,000, as provided in Section 12252.2, divided by 12, multiplied by the number of
31 whole months remaining in the current calendar year determined in subsection (b) of Section 12252.1.

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1 The TPPPS business licensee must submit to the Bureau the ~~Annual Fee~~ *annual fee appropriate for its*
2 ~~TPPPS business license~~ *within 30 calendar days from the date the invoice ~~were~~ was of service mailed.*

3 (2) For the first full calendar year of licensure, the Bureau will invoice, pursuant to Section 12006, the
4 TPPPS business licensee ~~will be invoiced~~ *the unadjusted Annual Fee annual fee required of an active*
5 ~~licensee with a gross ~~gaming~~ revenue under \$1,500,000, as provided in Section 12252.2, ~~due under~~~~
6 ~~clause 1 of subparagraph (A) of paragraph (6) of subsection (a) of Section 12252.1~~ *for the following*
7 ~~calendar year. If the license is approved after October 1, this ~~the~~ invoice will be issued at the same time as~~
8 ~~the invoice required in paragraph (1) of this subsection.~~

9 Note: Authority cited: Sections 19823, 19824, 19826, 19840, 19841 and 19984, Business and Professions Code.
10 Reference: Sections 19841 and 19984, Business and Professions Code.

11
12 **§ 12252.2. TPPPS Annual Fee Amounts.**

<u>Type of TPPPS Business Licensee</u>	<u>Annual Fee</u>
<u>Surrendered or Revoked Licensee</u>	<u>\$0</u>
<u>Non-Operational Licensee</u>	<u>\$2,035</u>
<u>Active Licensee – 3-Year Average Gross Gaming Revenue Under \$1.5M</u>	<u>\$4,069</u>
<u>Active Licensee – 3-Year Average Gross Gaming Revenue Over of \$1.5M or More</u>	<u>1.54% of the 3-year Average Gross Gaming Revenue</u>

13 Note: Authority cited: Sections 19823, 19824, 19826, 19840, 19841, and 19984, Business and Professions Code.
14 Reference: Sections 19826, ~~19867~~, 19841, ~~19867~~, and 19984, Business and Professions Code.

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